

MEMORANDUM

To: PSB Rule 5.500 – Interconnection E-Mail Service List

From: Susan M. Hudson, Clerk of the Board

Re: Board Rule 5.500 — Interconnection Requirements and Notice of Workshop

Date: March 19, 2010

On January 20, 2010, Public Service Board ("Board") staff convened a workshop to determine whether changes should be made to the Board Rule 5.500 Application Form, and whether modifications to the Rule are warranted as a result of the standard-offer program for qualifying Sustainably Priced Energy Enterprise Development ("SPEED") facilities.¹

Rule 5.500 Application Form

Under Rule 5.502(2), the Board may revise the standard application form from time to time, as necessary. Workshop participants discussed possible revisions to the Rule 5.500 application.

On January 29, 2010, Central Vermont Public Service Corporation ("CVPS") proposed a revised draft Rule 5.500 application and instruction form, based on workshop comments. In a February 9, 2010, memorandum, the Board requested comment on CVPS's proposed revised draft application and instruction form.

On February 22, 2010, the Interstate Renewable Energy Council ("IREC") filed comments stating it supported the use of CVPS's revised draft application and instruction form. No other comments were received on the application form.

Based on the review of the proposed application form and comments received, the Board is revising the Rule 5.500 Application Form.² The revised application form and instruction form will be effective immediately and available on the Board's website at:

¹ Docket 7533, Order of 9/30/09 at 60-61.

² The Board has made some non-substantive changes to further clarify the revised application and instruction form proposed by CVPS.

<http://psb.vermont.gov/statutesrulesandguidelines/currentrules>. (Copies of the revised application and instruction form are attached.)

Modifications to Rule 5.500 and Development of Model Documents

Under Rule 5.503(B), model documents may be used by the interconnecting utility and interconnection requester for the following: Feasibility Study Agreement; System Impact Study Agreement; Facilities Study Agreement; Interconnection Agreement; Technical Requirements; and Operator Protocols. Workshop participants discussed the development of model documents.

On January 20, 2010, IREC filed a document entitled Model Interconnection Procedures. On January 29, 2010, CVPS filed six draft model documents: (1) Interconnection Facilities Study Agreement; (2) System Impact Study Agreement; (3) Generation Interconnection Agreement; (4) Interconnection Technical Requirements; (5) Generation Operation Protocol; and (6) Mutual Nondisclosure Agreement.³ In the February 9 memorandum, the Board requested comment on the proposed model documents.

On February 22, 2010, both CVPS and IREC filed comments on the proposed model documents. In addition, both CVPS and IREC indicated their support for a continued workshop process to consider further modifications to Rule 5.500. On March 8, 2010, CVPS filed comments in response to IREC's February 22 filing.

Based on the comments received, the Board is directing staff to convene a workshop to further develop the proposed model documents, and to determine whether any modifications to Rule 5.500 are warranted.

Board staff will convene such a workshop on Monday, April 5, 2010, at 1:20 P.M., in the Board's third floor hearing room, Chittenden Bank Building, 112 State Street, Montpelier, Vermont.

Workshop participants should be prepared to discuss at the workshop the proposed model documents and comments filed by CVPS and IREC. The proposed model documents and comments are available on the Board's website at: <http://psb.vermont.gov/docketsandprojects/electric/interconnection>. Participants should also be prepared to identify and discuss possible changes to Board Rule 5.500.

³ CVPS proposed a model Mutual Nondisclosure Agreement which is not addressed under Rule 5.503(B).